



December 8, 2006

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**EX PARTE – VIA ELECTRONIC FILING**

Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street SW  
Washington, D.C. 20554

Re: *Developing a Uniform Inter-carrier Compensation Regime*, CC Docket No. 01-92

Dear Ms. Dortch:

On December 5, 2006, James Rowe, Executive Director of the Alaska Telephone Association (“ATA”), filed an *ex parte* notice in the aforementioned docket describing his discussions with Federal Communications Commission (“Commission”) staff about the problem of “phantom traffic.” According to Mr. Rowe’s notice, he encouraged the Commission to address the issue of phantom traffic, and presented recent traffic reports from Alaska and a copy of a letter from the Alaska Exchange Carriers Association (“AECA”) to General Communication, Inc. (“GCI”), which purportedly demonstrate that Alaska local exchange carriers (“LECs”) are receiving traffic devoid of calling information.

It is impossible for GCI to respond directly to Mr. Rowe’s statements, because neither the traffic reports nor the AECA letter presented during his meetings were filed with the Commission. GCI, however, has been working with AECA to resolve its members’ concerns about traffic that lacks signaling information, and in particular, Calling Party Number (“CPN”). I have attached recent correspondence between GCI and AECA that describes our efforts to resolve this issue. As described in the attached correspondence, GCI believes that it is in full compliance with the Commission’s existing signaling rules, as well as the expanded signaling requirements that have been proposed in CC Docket No. 01-92 (*i.e.*, the Missoula Plan’s “phantom traffic” solution). However, GCI is committed to working to resolve AECA’s concerns, and is in the process of scheduling a meeting between technical experts from GCI and AECA to address the problem of traffic that lacks accurate signaling information.

Thus, while GCI has explained its policies and procedures for the transmission of signaling information to AECA – which GCI believes will alleviate any concern AECA has about GCI’s treatment of CPN – the ATA, which shares members with AECA, has brought this issue before the Commission, without any attempt to discuss the issue directly with GCI. GCI

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believes that the ATA's apparent unwillingness to actually understand the scope of the phantom traffic problem in Alaska, or whether the phantom traffic problem even exists in a given situation, illustrates why it would be imprudent for the Commission to impose onerous and costly new obligations on all telecommunications carriers when the Missoula Plan proponents, like the ATA, have made no attempt to quantify the size of the problem, or to resolve their concerns in a commercially reasonable manner.

Please contact the undersigned if you have any questions regarding this matter.

Respectfully submitted,

Maureen Flood  
Federal Regulatory Attorney

CC: Daniel Gonzalez  
Michelle Carey  
Scott Bergmann  
Ian Dillner  
Scott Deutchman  
John Hunter  
Thomas Navin

December 6, 2006

Anthony S. Guerriero  
Brena, Bell & Clarkson, P.C.  
810 N Street, Suite 100  
Anchorage, AK 99501



Dear Mr. Guerriero,

This letter responds to your December 1 correspondence to GCI on behalf of AECA regarding the obligations of GCI to report calling party numbers ("CPNs") to interconnecting local exchange carriers ("LECs"). As we have been discussing, we agree that it is desirable for technical experts from each party to get together to discuss these issues, and I will let you know whether your proposed meeting date will work for us.

In advance of the meeting, there are several legal and factual matters that need to be addressed. I am addressing them now, not only in preparation for the meeting, but also because your letter threatened tariff action against GCI by December 11. GCI believes that it is in full compliance with its obligation to provide CPNs to interconnecting LECs, and there is no basis for any such action against GCI.

As a threshold matter, I believe that AECA has misunderstood the prior correspondence between AECA and GCI. In your December 1 letter, you characterized AECA's October 24 correspondence to GCI, and GCI's response thereto, as concerning GCI's obligation to report CPNs to interconnecting LECs. That is not the case. In the October 24 letter, AECA asked GCI various questions regarding GCI's treatment of calling card traffic, and other traffic where the originating number is not transmitted, in the context of CABS billing. Those are the questions to which GCI responded in its November 17 letter. GCI did not address signaling information generally, or the obligation to send CPNs, in particular, because AECA's October 24 letter did not inquire into those matters. The fact that GCI did not explain how it transmits CPNs to interconnecting LECs when it was not asked to do so should not be interpreted to mean that GCI does not provide CPNs.

Nonetheless, AECA clearly is concerned about GCI's transmission of CPNs to interconnecting LECs, so I will set forth GCI's policies and procedures, and our interpretation of our legal obligations. GCI agrees with AECA that all telecommunications carriers using signaling system 7 ("SS7") have an obligation to "transmit the calling party number (CPN) associated with an interstate call to interconnecting carriers." 47 C.F.R. § 64.1601(a). To the extent that GCI originates a call on its network, GCI sends the CPN associated with that call to interconnecting LECs. When GCI is the intermediate carrier, however, it cannot populate the CPN field, because GCI lacks the information needed to determine the origin of the call.

Hence, GCI only can pass the CPN that it receives from the originating carrier [and through any intermediate carrier, if applicable] to interconnecting LECs.

There are numerous instances in which GCI will not be able to pass CPN simply because GCI does not receive the CPN from the interconnecting carrier. As an example, many of AECA's own members have not deployed SS7 capability. However, SS7 is required to generate and transmit CPN. The net effect is that much of the traffic that GCI receives from other carriers -- and in particular, from AECA's rural members -- lacks CPN, because CPN cannot be created and transmitted without SS7 capability. The bottom line is that GCI only can send what it receives. And there is no provision in the Code of Federal Regulations or the Federal Communication Commission's ("FCC's") implementing orders -- including the *Prepaid Calling Card Order*<sup>1</sup> -- that imposes any further obligation on GCI.<sup>2</sup> Indeed, recognizing that an intermediate carrier may not always receive CPNs from the originating carrier, the FCC in the *Prepaid Calling Card Order* required calling card providers to report percent interstate usage ("PIU") factors to those carriers from which they purchase transport services, so the transport provider, in turn, can calculate the PIUs it reports to terminating LECs.<sup>3</sup> As described in GCI's November 17 response to AECA, this is the approach GCI uses to report minutes to Alaska LECs. Accordingly, GCI believes that it is in full compliance with federal law concerning the obligation to transmit CPN.

In your December 1 letter, you assert that GCI "is not in compliance with applicable state and federal reporting mandates" because GCI allegedly is populating the "Calling Number" field with non-descript numbers (*i.e.*, (200) 00-000) that "are not helpful in determining call jurisdiction." This is not accurate. The traffic in question originates with a prepaid calling card provider and that provider -- not GCI -- populates the CPN with the code "20000000." GCI, in turn, passes the information it receives from the prepaid calling card provider to interconnecting LECs. As described above, GCI's practice is fully consistent with federal law. Importantly, other than this anecdote, you have presented no evidence that GCI is not providing interconnecting LECs with CPNs when GCI originates calls on its own network or receives CPNs from an originating carrier to which GCI provides transport.

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<sup>1</sup> *Regulation of Prepaid Calling Card Services*, Declaratory Ruling and Report and Order, WC Docket No. 05-68 at ¶¶ 32-34 (June 30, 2006).

<sup>2</sup> It is important to note that the Missoula Plan -- which many AECA carriers support, but GCI opposes -- also would not impose such an obligation on GCI. The Missoula Plan's "phantom traffic" provisions only would require an intermediate provider to "transmit without alteration the telephone number information contained in ANI, ANI II, CPN, CN, and Jurisdiction Information Parameter (JIP) fields *that it receives from another provider.*" *Developing a Unified Intercarrier Compensation Regime*, CC Docket No. 01-92, Submission of the NARUC Task Force on Intercarrier Compensation (filed July 24, 2006) (attachment, "The Missoula Plan for Intercarrier Compensation," at 56).

<sup>3</sup> *Prepaid Calling Card Order* at ¶ 35.

Finally, I understand that AECA's interest in this matter stems from the significant decline in intrastate access minutes over the past year. GCI shares a concern over that decline, but GCI observes that its reported minutes have been stable and that the drop results from the decline in minutes reported by Alascom, Inc. If AECA is looking for the cause of the decline, it would seem to be more logical to look into Alascom's reporting.

Sincerely,

*for F.W. diff*  
Jimmy Jackson

Cc: RCA

# BRENA, BELL & CLARKSON, P.C.

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December 1, 2006

VIA U. S. MAIL AND E-MAIL

James R. Jackson, Jr., Esq.  
General Communication, Inc.  
2550 Denali Street, Suite 1000  
Anchorage, Alaska 99503

Re: Calling Party Number ("CPN") Reporting  
Our Client: The Alaska Exchange Carriers Association, Inc.

Dear Jimmy:

This letter follows up on AECA's October 24 correspondence to GCI, and GCI's November 17 response thereto, regarding the obligations of GCI to report calling party numbers ("CPNs") to interconnecting local exchange carriers ("LECs"). Due to significant recent changes in the mix of interstate versus intrastate traffic being reported to many of AECA's member LECs, AECA's members seek to invoke their right to obtain CPNs for the purpose of verifying the accuracy of traffic jurisdiction. While AECA's earlier letter was directed specifically to the recent FCC ruling regarding the reporting of CPNs on calling card traffic, GCI's obligation to report such information is actually much broader than that set forth in the subject FCC ruling. The bottom line is that both the AECA tariff and applicable federal regulation require CPN reporting by GCI.

Under section 6.8.4 of AECA's tariff, GCI has the obligation to measure and report access minute volume sources in a manner acceptable to the LECs. Furthermore, under section 2.3.9(D), GCI must keep records of call detail from which the percentage of intrastate and interstate use can be ascertained, and makes these records available to LECs for inspection and verification.

Beyond GCI's obligations under AECA's tariff, federal regulations require common carriers such as GCI "to transmit the calling party number ("CPN") associated with an interstate call to interconnecting carriers," such as AECA's member LECs.<sup>1</sup> The Federal Communications Commission ("FCC") has cited this obligation in its recent Declaratory Ruling and Report and Order ("FCC Order") in WC Docket No. 05-68, adopted on June 1, 2006 and released on June 30, 2006. The FCC went on to cite this obligation to support the calling card reporting requirements referenced

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<sup>1</sup> 47 C.F.R. § 64.1601.

James R. Jackson, Jr., Esq.  
General Communication, Inc.  
December 1, 2006  
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in AECA's earlier letter to GCI. The FCC deemed these requirements necessary to "promote transparency in the prepaid calling card market, and that absent such requirements, calling card providers **and their underlying carriers** would have the incentive and the ability to avoid intrastate access charges."<sup>2</sup> Given the foregoing, it is clear that the CPN reporting obligations cited above are intended to include not only calling card providers, but also "their underlying carriers," such as GCI.

Therefore, AECA's tariff and FCC regulations each require that CPNs be provided to interconnecting LECs for the purpose of verifying the jurisdictional character of traffic. According to Automatic Message Accounting ("AMA") records of AECA's member LECs, GCI has not been providing interconnecting LECs with CPNs. In this regard, the nondescript numbers which GCI uses to populate the "Calling Number" field (*i.e.*, (200) 000-000) are not helpful in determining call jurisdiction, and therefore GCI is not in compliance with applicable state and federal reporting mandates.

Based upon the foregoing, AECA requests that GCI take immediate steps to ensure that CPNs are passed to LECs, thereby enabling LECs to verify the jurisdictional nature of calls. In the absence of having received evidence of such action by GCI satisfactory to AECA's member LECs on or before December 11, 2006, AECA will consider other tariff enforcement alternatives. Please contact the undersigned if you would like to discuss this matter further. Thank you for your anticipated cooperation.

Very truly yours,

BRENA, BELL & CLARKSON, P.C.

By   
\_\_\_\_\_  
Anthony S. Guerriero

ASG:alm  
cc: Ms. Judy Colbert

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<sup>2</sup> FCC Order at page 13, paragraph 31 (bolded emphasis added).



November 17, 2006

Judith Colbert  
Executive Director  
AECA  
12350 Industry Way, Suite 200  
Anchorage AK 99515

***RE: WC Docket No. 05-68; FCC 06-79***

Dear Judy,

This is in response to your letter of Oct. 24, 2006. GCI does not provide prepaid calling cards and so has not provided reports or certifications to the Commission.

GCI is aware that prepaid calling card traffic passes through its network, mingled with other traffic. GCI has no way to separately identify prepaid calling card traffic from other carriers which passes through its network. However, GCI receives PIUs from its carrier customers which include the impact of prepaid calling card traffic. GCI passes the 8XX PIUs by CIC code to ILECs to use directly in their billing systems, or, for those ILECs which rely on GCI to report minutes, GCI uses the PIUs in its measurements of traffic. GCI also calculates combined terminating PIUs and reports those PIUs to the ILECs for use in their CABS systems and reports minutes to those ILECs which do not measure their own minutes.

Sorry for the delay in getting you this information.

Sincerely,

A handwritten signature in cursive script, appearing to read "F. Hitz", enclosed within a large, loopy circular flourish.

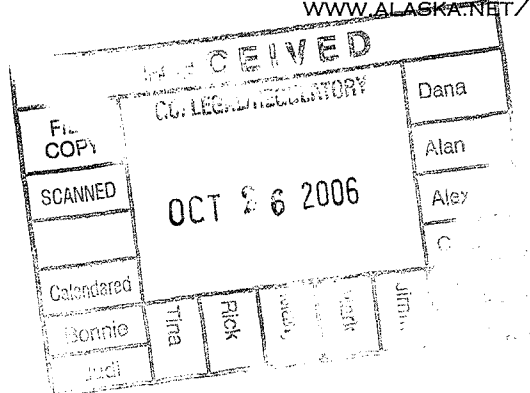
F.W. Hitz III  
VP, Regulatory Economics & Finance





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Mr. F. W. Hitz, III  
Vice President – Regulatory, Economics & Finance  
2550 Denali Street, Suite 1000  
Anchorage, AK 99503

Reference: WC Docket No. 05-68; FCC 06-79

Dear Rick,

The Federal Communications Commission (Commission) published its interim rule regarding Regulation of Prepaid Calling Card Services in the Federal Register, August 2, 2006 on the Commission's Declaratory Ruling and Report and Order in WC Docket No. 05-68, adopted on June 1, 2006 and released on June 30, 2006.

The Commission's Order finds that along with providers of prepaid calling cards paying access charges, those "that use SS7 must pass the CPN of the calling party (the cardholder) and the CN where appropriate, and not pass the telephone number associated with the calling card platform in the CPN or CN parameter of the SS7 stream."<sup>1</sup> This Order also requires providers to report prepaid calling card percent interstate usage (PIU) factors, and call volumes from which the factors are calculated, as well as to provide quarterly certifications regarding their compliance with certain provisions of the Order.

In order to assist us in understanding how you will deal with these FCC directives, please provide us with the following information **no later than Tuesday, October 31, 2006**:

- How have you been reporting this type of traffic?
- How is all of the traffic being treated in CABS including calling card platform traffic and any other traffic where the originating number is not being forwarded? Explain the reconciliation between the CABS reports and the 200 platform traffic.
- If not already in compliance, when will your company complete the work to meet the compliance and certification requirements of the Commission's Order?
- Please provide AECA with a copy of the initial certification you have provided to the Commission in compliance with the Order or a reference to where a copy of such certification may be obtained. If you have not yet provided such certification to the Commission, according to your calculations, when will that certificate be due?

Contact me at 907-561-6300 with any questions.

Sincerely,



Judith Colbert  
Executive Director

Cc: Regulatory Commission of Alaska  
ACS-LD  
MTA-LD  
Robin O. Brena, Esq.